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August 1, 2007

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Office of the Secretary
Federal Communication Commission
c/o Natek, Inc.
236 Massachusetts Avenue, NE
Suite 110
Washington, DC 20002

Re: *Iowa Telecom Petition for Forbearance Under 47 U.S.C. 160(c) from the Universal Service High-Cost Loop Support Mechanisms, WC Docket No. 05-337 (filed May 8, 2006); Iowa Telecom Petition for Interim Waiver of the Commission's Universal Service High-Cost Loop Support Mechanisms, WC Docket No. 05-337 (filed May 8, 2006).*

Dear Secretary Dortch:

This letter responds to the *ex parte* presentations made by Iowa Telecommunications Services, Inc. ("Iowa Telecom") on July 25, July 26, and July 27, 2007.¹ The presentations concerned the above matters, in which Iowa Telecom has asked the FCC to make it eligible for high-cost universal service support based on its network's forward-looking cost.² If the FCC granted the requested relief, Iowa Telecom would receive \$22.2 million of new support, Qwest would receive \$6.3 million of new support,

¹ See Letter from Mimi Weyforth Dawson, Wiley Rein, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 05-337 (dated July 26, 2007); Letter from Mimi Weyforth Dawson, Wiley Rein, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 05-337 (dated July 27, 2007); Letter from Mimi Weyforth Dawson, Wiley Rein, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 05-337 (dated July 30, 2007) ("Iowa Telecom *Ex Partes*").

² See *Iowa Telecom Petition for Forbearance Under 47 U.S.C. 160(c) from the Universal Service High-Cost Loop Support Mechanisms*, CC Docket No. 96-45, WC Docket No. 05-337 (filed May 8, 2006), at 1 ("Forbearance Petition"); *Iowa Telecom Petition for Interim Waiver of the Commission's Universal Service High-Cost Loop Support Mechanisms*, WC Docket No. 05-337 (filed May 8, 2006), at 1 ("Waiver Petition").

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and the Universal Service Fund ("Fund" or "USF") would increase by \$7.7 million.³ The net total decrease to current recipients, therefore, would be \$20.8 million.⁴

On May 31, 2007, the Vermont, Maine, Nebraska, Kentucky, and South Dakota state commissions opposed Iowa Telecom's request on a number of legal, policy, and financial grounds.⁵ Among other things, the states showed the following USF support losses by state if the FCC granted Iowa Telecom's petitions:⁶

State	Current Support	Change	New Support	Support % Change
AL	\$44,248,705	-\$4,350,283	\$39,898,421	-10%
KY	\$16,958,529	-\$3,512,067	\$13,446,462	-21%
ME	\$1,915,023	-\$1,319,440	\$595,583	-69%
MS	\$199,245,840	-\$4,883,755	\$194,362,085	-2%
MT	\$20,866,596	-\$791,165	\$20,075,431	-4%
NE	\$10,773,160	-\$1,869,036	\$8,904,124	-17%
SD	\$2,626,867	-\$718,123	\$1,908,743	-27%
VT	\$9,929,071	-\$777,200	\$9,151,871	-8%
WV	\$26,962,375	-\$1,978,708	\$24,983,667	-7%
WY	\$14,083,508	-\$565,253	\$13,518,254	-4%
Total	\$347,609,672	-\$20,765,031	\$326,844,642	-6%

Iowa Telecom apparently agrees with these calculations, because it has not filed any rebuttal.

The public record of Iowa Telecom's recent presentations suggests that Iowa Telecom believes it should receive more support because it serves many communities with very small populations.⁷ A review of the submitted data suggests that the company does serve an area with an uncharacteristically large number of small communities. However, this is also true, in varying degrees, of many nonrural LECs across the country, some of whom would be harmed by the relief that Iowa Telecom seeks in these petitions.

³ See Waiver Petition, App. at 20-21.

⁴ \$20.8 = (\$22.2 + \$6.3) - \$7.7.

⁵ See Letter from Shana Knutson, Legal Counsel, Nebraska Public Service Commission, Joel Shifman, Senior Advisor, Maine Public Utilities Commission, Rolayne Ailts Wiest, Commission Attorney, South Dakota Public Utilities Commission, George Young, Esq., Associate General Counsel, Vermont Public Service Board, Christopher Campbell, Telecommunications Director, Vermont Department of Public Service, Amy E. Dougherty, Counsel for Kentucky Public Service Commission, Elisabeth H. Ross, Birch, Horton, Bittner & Cherot, Attorney for Vermont Public Service Board, WC Docket No. 05-337 (dated May 31, 2007), Exh. I ("States' Opposition").

⁶ See States' Opposition at 3.

⁷ The filing does not explain how Iowa Telecom has defined "community."

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While Iowa Telecom's data may suggest an underlying flaw or imbalance in the Commission's universal service programs, the data do not justify reducing support for other carriers that serve other rural areas.

Public notice of Iowa Telecom's new data appeared only on July 30, 2007, one week before the Commission faces a statutory deadline for decision on the forbearance petition. In the remaining time available, we have not been able to develop exactly analogous information for other rural study areas, but we have been able to draw on existing data developed in 2002 for the FCC's Synthesis Cost Model. We examined the size profiles of some of the nonrural study areas that would be harmed by granting Iowa Telecom's petition. The following table shows the percentage of wire centers in several affected states with fewer than 2,000 households:

Study Area	Percentage of Wire Centers With Fewer Than 2,000 Households
Verizon Vermont	70%
Verizon Maine	55%
Qwest - Nebraska	58%
Windstream Communications (Nebraska)	91%

These data show that the undersigned three states, which would be harmed by Iowa Telecom's petition, are also highly rural, and have a preponderance of small wire centers. Iowa Telecom's filing offers no explanation as to why it would serve the public interest to reduce support to other rural areas that happen to be served by larger, so-called "nonrural" carriers. Making such a funding shift is particularly dangerous since Iowa Telecom has not shown that its customers have higher rates than customers in these three states.

The filings suggest that Iowa Telecom made a second argument: that it should receive support similar to that received by other carriers. The filings show that other "rural" incumbent LECs in Iowa receive substantial support from existing universal service mechanisms. They also show that Iowa Telecom receives less support, on a company-average, per-line basis, than other mid-sized ILECs.⁸ These arguments present several problems.

First, there is no legal basis to conclude that Iowa Telecom should receive a per-line amount of support equal to that of other ILECs in Iowa. It is true that Iowa has many rural companies, and most of these receive substantial support. However, there are valid reasons why a rural company, in Iowa or elsewhere, does not receive support, notably that the company does not have high costs. Iowa Telecom previously reported that it

⁸ Iowa Telecom *Ex Partes* at 1.

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acquired an “under-invested” network in 2000.⁹ It has still not explained why, despite serving a very dispersed population, its loop cost per line is not high enough to make it eligible for High-Cost Loop Support.

Second, Iowa Telecom’s comparison with other mid-sized companies overlooks other important factors. Many of these mid-sized companies serve rural areas, as does Iowa Telecom. However, Iowa Telecom’s table aggregates data by holding company. One cannot make valid comparisons from such aggregated data because there is no reason to believe the companies, aggregated to the holding company level, face similar costs. It is reasonable to compare support levels across similar geographic areas served by various carriers, but there is no valid policy reason to think that each holding company is entitled to some minimum share of the total support. Moreover, the undersigned states are aware that some of the comparison companies shown have invested heavily in their rural networks and have provided broadband to all or nearly all of their customers. This factor alone may explain the differences in the holding company results.

In reality, Iowa Telecom is subject to the same rules as all the other rural ILECs. The FCC’s rules for the High-Cost Loop program require small companies to invest in infrastructure *before* they qualify for support. This is an appropriate incentive that has produced significant investment in rural areas during the last decade. Iowa Telecom’s *ex parte* filing shows no basis to alter this policy and allow Iowa Telecom to receive support *before* it invests.

In sum, there still is no rational basis for granting Iowa Telecom’s petition. The argument regarding a rural customer base fails to explain why rural customers elsewhere should be harmed. The comparison with other carriers fails to note important differences, such as investment level. We also note that the recent filings do not demonstrate either a need for support to keep rates reasonable for its customers, or a promise that these unprecedented benefits, if granted, would assist consumers. We continue to oppose Iowa Telecom’s petitions.

Sincerely,

⁹ See Forbearance Petition at 4; Waiver Petition at 4.

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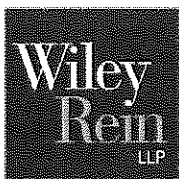
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July 26, 2007

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EX PARTE PRESENTATION

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: *Petition for Forbearance and Waiver by Iowa Telecommunications Services, Inc.*, WC Docket No. 05-337

Dear Ms. Dortch:

This letter is to inform you that on July 25, 2007, D. Michael Anderson, Alan Wells, Greg Vogt, and the undersigned, on behalf of Iowa Telecommunications Services, Inc. ("Iowa Telecom"), met with Commissioner Robert McDowell and John Hunter in the above-referenced docket. The meeting addressed Iowa Telecom's petitions for forbearance from or waiver of the universal service high-cost loop mechanisms and the need for granting Iowa Telecom relief from the current universal service rules. Specifically, the parties discussed that the relief Iowa Telecom is seeking is in line with what other companies in rural Iowa are receiving and is about average among the support other mid-size carriers receive from the high cost loop program, and the attached documents were provided.

Pursuant to 47 C.F.R. § 1.1206, please include this ex parte filing in the above-referenced docket.

Respectfully submitted,

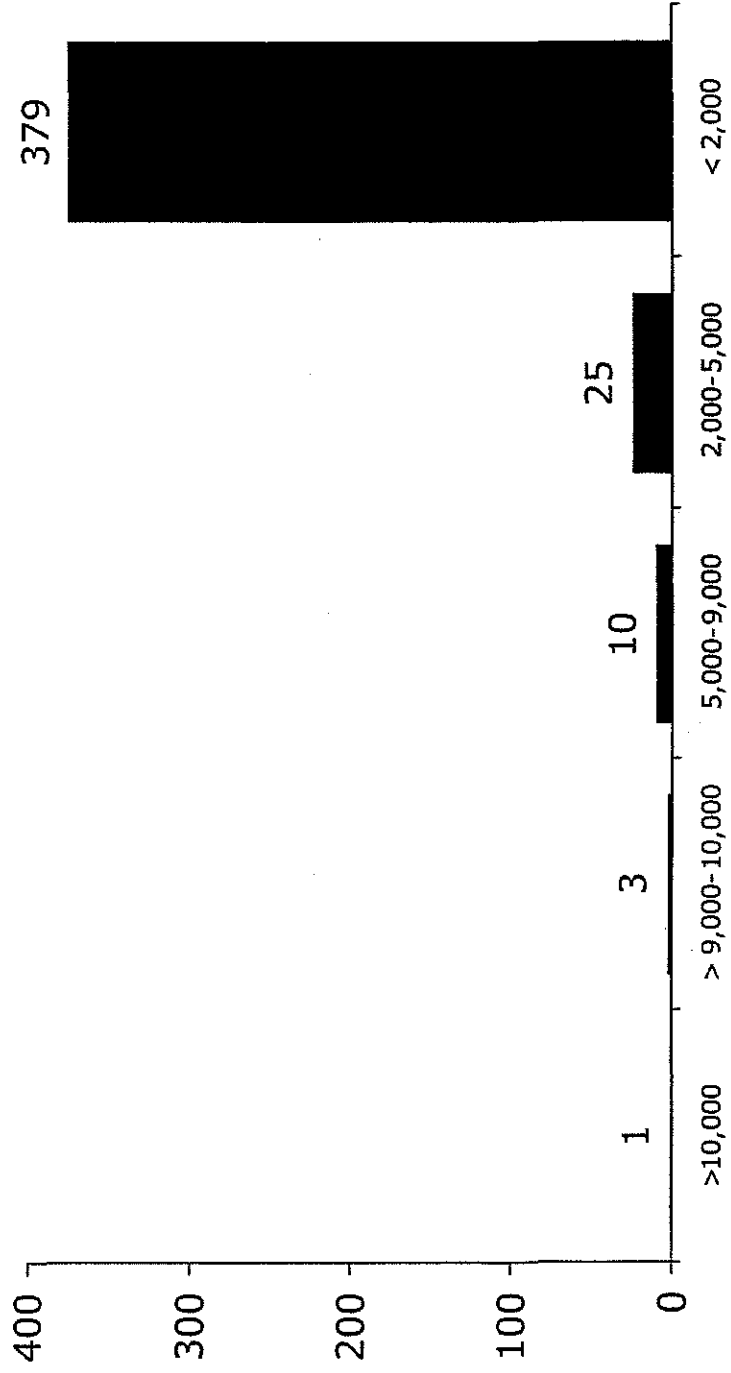
/s/ Mimi Weyforth Dawson

Mimi Weyforth Dawson

Enclosures

cc: Commissioner McDowell
John Hunter

Iowa Telecom
Population of Served Communities



Selected Mid-Sized ILEC Comparisons

Carrier	Approximate Loops*	Annual High-Cost Loop and Model-Based Support**	Sup/Loop/ Yr	Sup/Loop/ Month
CenturyTel	2,207,026	\$155,320,011	\$76.19	\$6.35
Citizens	2,039,041	\$40,391,457	\$19.81	\$1.65
Consolidated	219,462	\$12,892,794	\$58.75	\$4.90
Embarq	4,116,757	\$23,890,698	\$5.80	\$0.48
Fairpoint	160,736	\$9,831,495	\$61.17	\$5.10
TDS	602,513	\$26,917,539	\$44.68	\$3.72
Windstream	2,917,613	\$13,871,646	\$6.93	\$0.58
Iowa Telecom	250,067	\$0	\$0.00	\$0.00

* Not all operating companies could be matched, particularly for Fairpoint.

** HCL based on most recent USAC annual data. HCM based on annualization from 3Q07 USAC projections. Access Replacement (such as IAS and ICLS) not included.

Iowa ILEC USF High-Cost Loop and Model-Based Support Receipts
(does not include access replacement, such as IAS and ICLS)

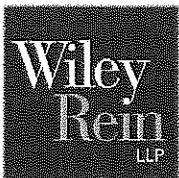
Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
ACE TEL ASSN-IA	4,712	\$0	\$0.00	\$0.00
ALPINE COMM.	6,117	\$478,665	\$78.25	\$6.52
ANDREW TEL CO INC	385	\$64,185	\$166.71	\$13.89
ARCADIA TEL CO	374	\$63,903	\$170.86	\$14.24
ATKINS TEL CO, INC	894	\$40,398	\$45.19	\$3.77
AYRSHIRE FARMERS MUT	335	\$153,288	\$457.58	\$38.13
BALDWIN-NASHVILLE	336	\$62,232	\$185.21	\$15.43
BARNES CITY COOP	176	\$43,239	\$245.68	\$20.47
BERNARD TEL CO INC	508	\$170,016	\$334.68	\$27.89
BREDA TEL CORP.	1,129	\$191,985	\$170.05	\$14.17
BROOKLYN MUTUAL TEL	1,532	\$35,838	\$23.39	\$1.95
BUTLER-BREMER MUTUAL	2,791	\$139,728	\$50.06	\$4.17
CASCADE COMM. CO.	1,847	\$81,606	\$44.18	\$3.68
CASEY MUTUAL TEL CO	451	\$63,762	\$141.38	\$11.78
CENTER JUNCTION TEL	149	\$38,121	\$255.85	\$21.32
CENTRAL SCOTT TEL CO	5,595	\$68,937	\$12.32	\$1.03
CENTURYTEL-CHESTER	198	\$54,399	\$274.74	\$22.90
CENTURYTEL-POSTVILLE	1,786	\$26,616	\$14.90	\$1.24
CITIZENS MUTUAL TEL	4,076	\$1,001,856	\$245.79	\$20.48
CLARENCE TEL CO	804	\$38,766	\$48.22	\$4.02
CLEAR LAKE INDEPEND	6,066	\$1,153,914	\$190.23	\$15.85
C-M-L TEL COOP ASSN	797	\$188,865	\$236.97	\$19.75
COLO TEL CO	724	\$256,380	\$354.12	\$29.51
COMM 1 NETWORK	668	\$40,764	\$61.02	\$5.09
COON CREEK TEL CO	648	\$43,782	\$67.56	\$5.63
COON VALLEY COOP TEL	621	\$120,162	\$193.50	\$16.12
COOP TEL EXCHANGE	628	\$121,533	\$193.52	\$16.13
COOPERATIVE TEL CO	1,551	\$256,803	\$165.57	\$13.80
CORN BELT TEL CO	790	\$38,466	\$48.69	\$4.06
CUMBERLAND TEL CO	368	\$63,711	\$173.13	\$14.43
DANVILLE MUTUAL TEL	963	\$41,286	\$42.87	\$3.57
DIXON TEL CO	589	\$51,813	\$87.97	\$7.33
DUMONT TEL CO	1,516	\$75,444	\$49.77	\$4.15
DUNKERTON TEL COOP	772	\$38,055	\$49.29	\$4.11
EAST BUCHANAN COOP	1,680	\$562,002	\$334.53	\$27.88
ELLSWORTH COOP ASSN	738	\$127,485	\$172.74	\$14.40
FARMERS & BUSINESSME	1,152	\$104,403	\$90.63	\$7.55
FARMERS & MERCHANTS	812	\$38,931	\$47.94	\$4.00
FARMERS (DEFIANCE)	278	\$57,582	\$207.13	\$17.26
FARMERS (MANILLA)	604	\$50,529	\$83.66	\$6.97
FARMERS COOP TEL CO	1,329	\$81,780	\$61.53	\$5.13
FARMERS MUTUAL COOP	1,829	\$390,126	\$213.30	\$17.78
FARMERS MUTUAL COOP	534	\$58,530	\$109.61	\$9.13
FARMERS MUTUAL COOP	2,503	\$185,526	\$74.12	\$6.18
FARMERS MUTUAL JESUP	1,976	\$17,382	\$8.80	\$0.73
FARMERS MUTUAL TEL	2,253	\$222,288	\$98.66	\$8.22
FARMERS MUTUAL TEL	1,146	\$192,342	\$167.84	\$13.99
FARMERS TEL CO - BAT	394	\$64,344	\$163.31	\$13.61
FARMERS TEL CO -RICE	1,613	\$257,928	\$159.91	\$13.33
FARMERS TEL CO-ESSEX	689	\$36,996	\$53.70	\$4.47
FENTON CO-OP TEL CO	332	\$61,989	\$186.71	\$15.56
GOLDFIELD TEL CO	559	\$53,919	\$96.46	\$8.04
GRAND MOUND COOP TEL	611	\$46,179	\$75.58	\$6.30

Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
GRAND RIVER MUT-IA	8,234	\$0	\$0.00	\$0.00
GRISWOLD CO-OP TEL	1,976	\$246,474	\$124.73	\$10.39
HAWKEYE TEL CO	468	\$63,342	\$135.35	\$11.28
HEART OF IOWA COMM.	2,366	\$647,625	\$273.72	\$22.81
HEARTLND-HICKORYTECH	12,506	\$0	\$0.00	\$0.00
HILLS TEL CO, INC-IA	2,274	\$430,632	\$189.37	\$15.78
HOSPERS TEL EXCH INC	749	\$37,407	\$49.94	\$4.16
HUBBARD COOP ASSN	824	\$38,988	\$47.32	\$3.94
HUXLEY COMM. COOP.	1,758	\$80,334	\$45.70	\$3.81
IAMO TEL CO - IA	412	\$96,540	\$234.32	\$19.53
INTERSTATE 35 TEL CO	1,431	\$188,283	\$131.57	\$10.96
JEFFERSON TEL CO -IA	3,459	\$0	\$0.00	\$0.00
JORDAN SOLDIERVALLEY	341	\$78,795	\$231.07	\$19.26
KALONA COOP TEL CO	1,946	\$261,069	\$134.16	\$11.18
KEYSTONE FRMS COOP	992	\$185,598	\$187.09	\$15.59
KILLDUFF TEL. CO.	163	\$47,220	\$289.69	\$24.14
LA MOTTE TEL CO	742	\$37,320	\$50.30	\$4.19
LA PORTE CITY TEL CO	1,894	\$82,215	\$43.41	\$3.62
LAUREL TEL. CO., INC.	304	\$59,976	\$197.29	\$16.44
LEHIGH VALLEY COOP	1,886	\$251,994	\$133.61	\$11.13
LONE ROCK CO-OP TEL	275	\$57,273	\$208.27	\$17.36
LOST NATION-ELWOOD	639	\$180,696	\$282.78	\$23.56
LYNNVILLE TEL. CO.	362	\$63,492	\$175.39	\$14.62
MABEL COOP TEL-IA	996	\$185,976	\$186.72	\$15.56
MARNE & ELK HORN TEL	1,535	\$256,467	\$167.08	\$13.92
MARTELLE COOP ASSN	312	\$60,441	\$193.72	\$16.14
MASSENA TEL CO	661	\$123,642	\$187.05	\$15.59
MECHANICSVILLE TEL	836	\$39,336	\$47.05	\$3.92
MEDIAPOLIS TEL CO	2,417	\$116,373	\$48.15	\$4.01
MILES COOP TEL ASSN	727	\$36,939	\$50.81	\$4.23
MILLER TEL CO - IA	99	\$27,201	\$274.76	\$22.90
MINBURN TEL CO	414	\$64,440	\$155.65	\$12.97
MINBURN TELECOMM.	869	\$116,334	\$133.87	\$11.16
MINERVA VALLEY TEL	816	\$128,946	\$158.02	\$13.17
MODERN COOP TEL CO	947	\$210,810	\$222.61	\$18.55
MONTEZUMA MUTUAL TEL	2,210	\$84,183	\$38.09	\$3.17
MUTUAL TEL CO	630	\$46,263	\$73.43	\$6.12
MUTUAL TEL CO	5,305	\$0	\$0.00	\$0.00
NORTH ENGLISH COOP	894	\$40,365	\$45.15	\$3.76
NORTHEAST IOWA TEL	1,963	\$130,473	\$66.47	\$5.54
NORTHERN IOWA TEL CO	2,433	\$439,593	\$180.68	\$15.06
NORTHWEST IOWA TEL	5,557	\$72,051	\$12.97	\$1.08
NORTHWEST TEL COOP	1,325	\$247,659	\$186.91	\$15.58
OGDEN TEL CO - IA	1,862	\$23,517	\$12.63	\$1.05
OLIN TEL CO, INC	740	\$127,557	\$172.37	\$14.36
ONSLOW COOP TEL ASSN	232	\$52,083	\$224.50	\$18.71
ORAN MUTUAL TEL CO	263	\$55,959	\$212.77	\$17.73
PALMER MUTUAL TEL CO	288	\$58,566	\$203.35	\$16.95
PALO COOP TEL ASSN	526	\$59,670	\$113.44	\$9.45
PANORA COMM COOP	1,978	\$17,265	\$8.73	\$0.73
PARTNER COMM. COOP.	1,250	\$254,076	\$203.26	\$16.94
PEOPLES TEL CO - IA	816	\$38,970	\$47.76	\$3.98
PRAIRIE TEL CO	1,057	\$189,126	\$178.93	\$14.91
PRAIRIEBURG TEL CO	216	\$49,797	\$230.54	\$19.21
PRESTON TEL CO	1,222	\$98,955	\$80.98	\$6.75
RADCLIFFE TEL CO	489	\$61,791	\$126.36	\$10.53
READLYN TEL CO	1,174	\$41,997	\$35.77	\$2.98

Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
RINGSTED TEL CO	395	\$64,317	\$162.83	\$13.57
RIVER VALLEY TELECOM	932	\$126,708	\$135.95	\$11.33
ROCKWELL COOP ASSN	1,275	\$244,335	\$191.64	\$15.97
ROYAL TEL CO	454	\$63,705	\$140.32	\$11.69
RUTHVEN TEL EXCHANGE	772	\$38,034	\$49.27	\$4.11
SAC COUNTY MUTUAL	1,044	\$119,595	\$114.55	\$9.55
SCHALLER TEL CO	1,749	\$257,202	\$147.06	\$12.25
SCRANTON TEL CO	524	\$59,184	\$112.95	\$9.41
SEARSBORO TEL CO	362	\$63,492	\$175.39	\$14.62
SHARON TEL CO	1,151	\$107,880	\$93.73	\$7.81
SHELL ROCK TEL CO	1,021	\$165,615	\$162.21	\$13.52
SOUTH SLOPE COOP TEL	12,874	\$0	\$0.00	\$0.00
SOUTHWEST TEL EXCH	766	\$165,306	\$215.80	\$17.98
SPRINGVILLE COOP TEL	1,213	\$41,682	\$34.36	\$2.86
STRATFORD MUTUAL TEL	539	\$21,279	\$39.48	\$3.29
SULLY TEL ASSOC	2,896	\$76,899	\$26.55	\$2.21
SUPERIOR TEL COOP	319	\$48,711	\$152.70	\$12.72
SWISHER TEL CO	985	\$41,496	\$42.13	\$3.51
TEMPLETON TEL CO	389	\$64,257	\$165.19	\$13.77
TERRIL TEL COOP.	471	\$62,718	\$133.16	\$11.10
THE BURT TEL CO	426	\$64,392	\$151.15	\$12.60
TITONKA TEL CO	545	\$57,300	\$105.14	\$8.76
UNITED FARMERS TEL	547	\$0	\$0.00	\$0.00
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WEBB-DICKENS TEL	404	\$0	\$0.00	\$0.00
WEBSTER-CALHOUN COOP	4,836	\$957,801	\$198.06	\$16.50
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WILTON TEL CO	1,893	\$21,297	\$11.25	\$0.94
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WYOMING MUTUAL TEL	633	\$45,492	\$71.87	\$5.99
FRONTIER IOWA	52,297	\$0	\$0.00	\$0.00
ITS -- IOWA TELECOM	75,831	\$0	\$0.00	\$0.00
ITS -- IOWA TELECOM NORTH	106,732	\$0	\$0.00	\$0.00
ITS -- IOWA TELECOM SYSTEMS	67,504	\$0	\$0.00	\$0.00
QWEST CORP-IA	933,367	\$0	\$0.00	\$0.00
Total -- Excluding Qwest, ITS, and Frontier	227,595	\$20,180,991	\$88.67	\$7.39
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Of the small carrier lines, more than 74% get at least \$1/loop/month and more than half get at least \$4.17/loop/month.

Source: USAC 3Q07 FCC Filing, Appendix HC01



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July 27, 2007

Mimi W. Dawson
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mdawson@wileyrein.com

EX PARTE PRESENTATION

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: *Petition for Forbearance and Waiver by Iowa Telecommunications Services, Inc.*, WC Docket No. 05-337

Dear Ms. Dortch:

This letter is to inform you that on July 26, 2007, D. Michael Anderson, Alan Wells, Greg Vogt, and the undersigned, on behalf of Iowa Telecommunications Services, Inc. ("Iowa Telecom"), met with Commissioner Jonathan Adelstein and Scott Bergmann in the above-referenced docket. The meeting addressed Iowa Telecom's petitions for forbearance from or waiver of the universal service high-cost loop mechanisms and the need for granting Iowa Telecom relief from the current universal service rules. Specifically, the parties discussed that the relief Iowa Telecom is seeking is in line with what other companies in rural Iowa are receiving and is about average among the support other mid-size carriers receive from the high cost loop program, and the attached documents were provided.

Pursuant to 47 C.F.R. § 1.1206, please include this ex parte filing in the above-referenced docket.

Respectfully submitted,

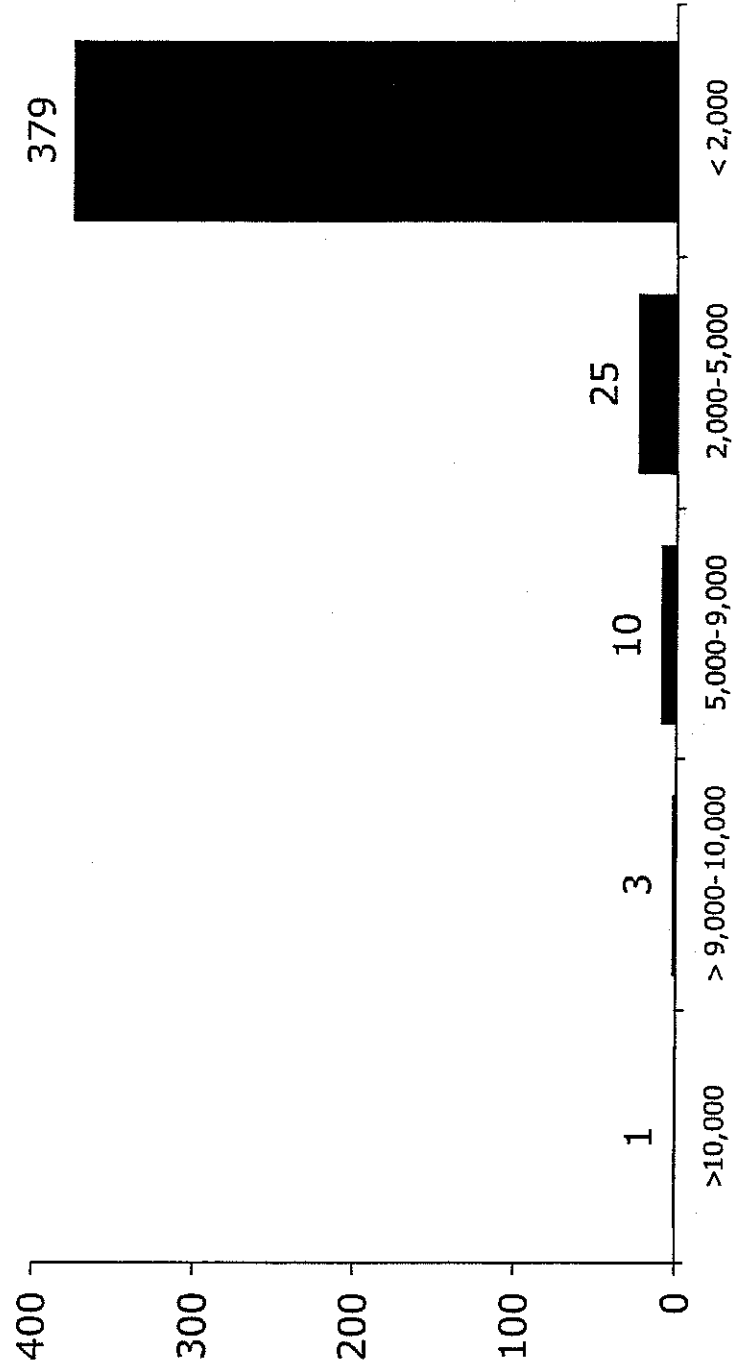
/s/ Mimi Weyforth Dawson

Mimi Weyforth Dawson

Enclosures

cc: Commissioner Adelstein
Scott Bergmann

Iowa Telecom
Population of Served Communities



Selected Mid-Sized ILEC Comparisons

Carrier	Approximate Loops*	Annual High-Cost Loop and Model-Based Support**	Sup/Loop/ Yr	Sup/Loop/ Month
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Citizens	2,039,041	\$40,391,457	\$19.81	\$1.65
Consolidated	219,462	\$12,892,794	\$58.75	\$4.90
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* Not all operating companies could be matched, particularly for Fairpoint.

** HCL based on most recent USAC annual data. HCM based on annualization from 3Q07 USAC projections. Access Replacement (such as IAS and ICLS) not included.

Iowa ILEC USF High-Cost Loop and Model-Based Support Receipts
(does not include access replacement, such as IAS and ICLS)

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FARMERS & BUSINESSME	1,152	\$104,403	\$90.63	\$7.55
FARMERS & MERCHANTS	812	\$38,931	\$47.94	\$4.00
FARMERS (DEFIANCE)	278	\$57,582	\$207.13	\$17.26
FARMERS (MANILLA)	604	\$50,529	\$83.66	\$6.97
FARMERS COOP TEL CO	1,329	\$81,780	\$61.53	\$5.13
FARMERS MUTUAL COOP	1,829	\$390,126	\$213.30	\$17.78
FARMERS MUTUAL COOP	534	\$58,530	\$109.61	\$9.13
FARMERS MUTUAL COOP	2,503	\$185,526	\$74.12	\$6.18
FARMERS MUTUAL JESUP	1,976	\$17,382	\$8.80	\$0.73
FARMERS MUTUAL TEL	2,253	\$222,288	\$98.66	\$8.22
FARMERS MUTUAL TEL	1,146	\$192,342	\$167.84	\$13.99
FARMERS TEL CO - BAT	394	\$64,344	\$163.31	\$13.61
FARMERS TEL CO -RICE	1,613	\$257,928	\$159.91	\$13.33
FARMERS TEL CO-ESSEX	689	\$36,996	\$53.70	\$4.47
FENTON CO-OP TEL CO	332	\$61,989	\$186.71	\$15.56
GOLDFIELD TEL CO	559	\$53,919	\$96.46	\$8.04
GRAND MOUND COOP TEL	611	\$46,179	\$75.58	\$6.30

Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
GRAND RIVER MUT-IA	8,234	\$0	\$0.00	\$0.00
GRISWOLD CO-OP TEL	1,976	\$246,474	\$124.73	\$10.39
HAWKEYE TEL CO	468	\$63,342	\$135.35	\$11.28
HEART OF IOWA COMM.	2,366	\$647,625	\$273.72	\$22.81
HEARTLND-HICKORYTECH	12,506	\$0	\$0.00	\$0.00
HILLS TEL CO, INC-IA	2,274	\$430,632	\$189.37	\$15.78
HOSPERS TEL EXCH INC	749	\$37,407	\$49.94	\$4.16
HUBBARD COOP ASSN	824	\$38,988	\$47.32	\$3.94
HUXLEY COMM. COOP.	1,758	\$80,334	\$45.70	\$3.81
IAMO TEL CO - IA	412	\$96,540	\$234.32	\$19.53
INTERSTATE 35 TEL CO	1,431	\$188,283	\$131.57	\$10.96
JEFFERSON TEL CO -IA	3,459	\$0	\$0.00	\$0.00
JORDAN SOLDIERVALLEY	341	\$78,795	\$231.07	\$19.26
KALONA COOP TEL CO	1,946	\$261,069	\$134.16	\$11.18
KEYSTONE FRMS COOP	992	\$185,598	\$187.09	\$15.59
KILLDUFF TEL. CO.	163	\$47,220	\$289.69	\$24.14
LA MOTTE TEL CO	742	\$37,320	\$50.30	\$4.19
LA PORTE CITY TEL CO	1,894	\$82,215	\$43.41	\$3.62
LAUREL TEL. CO., INC.	304	\$59,976	\$197.29	\$16.44
LEHIGH VALLEY COOP	1,886	\$251,994	\$133.61	\$11.13
LONE ROCK CO-OP TEL	275	\$57,273	\$208.27	\$17.36
LOST NATION-ELWOOD	639	\$180,696	\$282.78	\$23.56
LYNNVILLE TEL. CO.	362	\$63,492	\$175.39	\$14.62
MABEL COOP TEL-IA	996	\$185,976	\$186.72	\$15.56
MARNE & ELK HORN TEL	1,535	\$256,467	\$167.08	\$13.92
MARTELLE COOP ASSN	312	\$60,441	\$193.72	\$16.14
MASSENA TEL CO	661	\$123,642	\$187.05	\$15.59
MECHANICSVILLE TEL	836	\$39,336	\$47.05	\$3.92
MEDIAPOLIS TEL CO	2,417	\$116,373	\$48.15	\$4.01
MILES COOP TEL ASSN	727	\$36,939	\$50.81	\$4.23
MILLER TEL CO - IA	99	\$27,201	\$274.76	\$22.90
MINBURN TEL CO	414	\$64,440	\$155.65	\$12.97
MINBURN TELECOMM.	869	\$116,334	\$133.87	\$11.16
MINERVA VALLEY TEL	816	\$128,946	\$158.02	\$13.17
MODERN COOP TEL CO	947	\$210,810	\$222.61	\$18.55
MONTEZUMA MUTUAL TEL	2,210	\$84,183	\$38.09	\$3.17
MUTUAL TEL CO	630	\$46,263	\$73.43	\$6.12
MUTUAL TEL CO	5,305	\$0	\$0.00	\$0.00
NORTH ENGLISH COOP	894	\$40,365	\$45.15	\$3.76
NORTHEAST IOWA TEL	1,963	\$130,473	\$66.47	\$5.54
NORTHERN IOWA TEL CO	2,433	\$439,593	\$180.68	\$15.06
NORTHWEST IOWA TEL	5,557	\$72,051	\$12.97	\$1.08
NORTHWEST TEL COOP	1,325	\$247,659	\$186.91	\$15.58
OGDEN TEL CO - IA	1,862	\$23,517	\$12.63	\$1.05
OLIN TEL CO, INC	740	\$127,557	\$172.37	\$14.36
ONSLow COOP TEL ASSN	232	\$52,083	\$224.50	\$18.71
ORAN MUTUAL TEL CO	263	\$55,959	\$212.77	\$17.73
PALMER MUTUAL TEL CO	288	\$58,566	\$203.35	\$16.95
PALO COOP TEL ASSN	526	\$59,670	\$113.44	\$9.45
PANORA COMM COOP	1,978	\$17,265	\$8.73	\$0.73
PARTNER COMM. COOP.	1,250	\$254,076	\$203.26	\$16.94
PEOPLES TEL CO - IA	816	\$38,970	\$47.76	\$3.98
PRAIRIE TEL CO	1,057	\$189,126	\$178.93	\$14.91
PRAIRIEBURG TEL CO	216	\$49,797	\$230.54	\$19.21
PRESTON TEL CO	1,222	\$98,955	\$80.98	\$6.75
RADCLIFFE TEL CO	489	\$61,791	\$126.36	\$10.53
READLYN TEL CO	1,174	\$41,997	\$35.77	\$2.98

Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
RINGSTED TEL CO	395	\$64,317	\$162.83	\$13.57
RIVER VALLEY TELECOM	932	\$126,708	\$135.95	\$11.33
ROCKWELL COOP ASSN	1,275	\$244,335	\$191.64	\$15.97
ROYAL TEL CO	454	\$63,705	\$140.32	\$11.69
RUTHVEN TEL EXCHANGE	772	\$38,034	\$49.27	\$4.11
SAC COUNTY MUTUAL	1,044	\$119,595	\$114.55	\$9.55
SCHALLER TEL CO	1,749	\$257,202	\$147.06	\$12.25
SCRANTON TEL CO	524	\$59,184	\$112.95	\$9.41
SEARSBORO TEL CO	362	\$63,492	\$175.39	\$14.62
SHARON TEL CO	1,151	\$107,880	\$93.73	\$7.81
SHELL ROCK TEL CO	1,021	\$165,615	\$162.21	\$13.52
SOUTH SLOPE COOP TEL	12,874	\$0	\$0.00	\$0.00
SOUTHWEST TEL EXCH	766	\$165,306	\$215.80	\$17.98
SPRINGVILLE COOP TEL	1,213	\$41,682	\$34.38	\$2.86
STRATFORD MUTUAL TEL	539	\$21,279	\$39.48	\$3.29
SULLY TEL ASSOC	2,896	\$76,899	\$26.55	\$2.21
SUPERIOR TEL COOP	319	\$48,711	\$152.70	\$12.72
SWISHER TEL CO	985	\$41,496	\$42.13	\$3.51
TEMPLETON TEL CO	389	\$64,257	\$165.19	\$13.77
TERRIL TEL. COOP.	471	\$62,718	\$133.16	\$11.10
THE BURT TEL CO	426	\$64,392	\$151.15	\$12.60
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July 30, 2007

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EX PARTE PRESENTATION

Ms. Marlene H. Dortch
Secretary
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445 Twelfth Street, S.W.
Washington, DC 20554

Re: *Petition for Forbearance and Waiver by Iowa Telecommunications Services, Inc.*, WC Docket No. 05-337

Dear Ms. Dortch:

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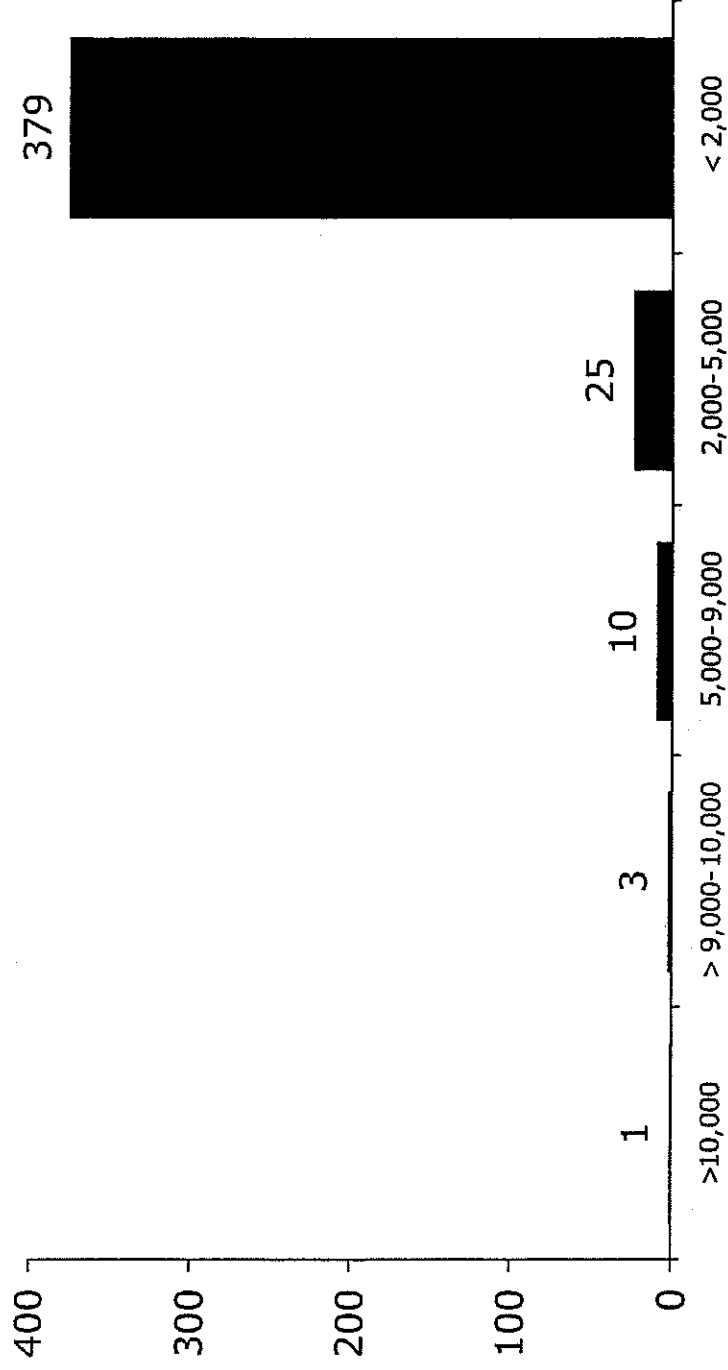
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Iowa Telecom
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FARMERS & MERCHANTS	812	\$38,931	\$47.94	\$4.00
FARMERS (DEFIANCE)	278	\$57,582	\$207.13	\$17.26
FARMERS (MANILLA)	604	\$50,529	\$83.66	\$6.97
FARMERS COOP TEL CO	1,329	\$81,780	\$61.53	\$5.13
FARMERS MUTUAL COOP	1,829	\$390,126	\$213.30	\$17.78
FARMERS MUTUAL COOP	534	\$58,530	\$109.61	\$9.13
FARMERS MUTUAL COOP	2,503	\$185,526	\$74.12	\$6.18
FARMERS MUTUAL JESUP	1,976	\$17,382	\$8.80	\$0.73
FARMERS MUTUAL TEL	2,253	\$222,288	\$98.66	\$8.22
FARMERS MUTUAL TEL	1,146	\$192,342	\$167.84	\$13.99
FARMERS TEL CO - BAT	394	\$64,344	\$163.31	\$13.61
FARMERS TEL CO -RICE	1,613	\$257,928	\$159.91	\$13.33
FARMERS TEL CO-ESSEX	689	\$36,996	\$53.70	\$4.47
FENTON CO-OP TEL CO	332	\$61,989	\$186.71	\$15.56
GOLDFIELD TEL CO	559	\$53,919	\$96.46	\$8.04
GRAND MOUND COOP TEL	611	\$46,179	\$75.58	\$6.30

Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
GRAND RIVER MUT-IA	8,234	\$0	\$0.00	\$0.00
GRISWOLD CO-OP TEL	1,976	\$246,474	\$124.73	\$10.39
HAWKEYE TEL CO	468	\$63,342	\$135.35	\$11.28
HEART OF IOWA COMM.	2,366	\$647,625	\$273.72	\$22.81
HEARTLND-HICKORYTECH	12,506	\$0	\$0.00	\$0.00
HILLS TEL CO, INC-IA	2,274	\$430,632	\$189.37	\$15.78
HOSPERS TEL EXCH INC	749	\$37,407	\$49.94	\$4.16
HUBBARD COOP ASSN	824	\$38,988	\$47.32	\$3.94
HUXLEY COMM. COOP.	1,758	\$80,334	\$45.70	\$3.81
IAMO TEL CO - IA	412	\$96,540	\$234.32	\$19.53
INTERSTATE 35 TEL CO	1,431	\$188,283	\$131.57	\$10.96
JEFFERSON TEL CO -IA	3,459	\$0	\$0.00	\$0.00
JORDAN SOLDIERVALLEY	341	\$78,795	\$231.07	\$19.26
KALONA COOP TEL CO	1,946	\$261,069	\$134.16	\$11.18
KEYSTONE FRMS COOP	992	\$185,598	\$187.09	\$15.59
KILLDUFF TEL CO.	163	\$47,220	\$289.69	\$24.14
LA MOTTE TEL CO	742	\$37,320	\$50.30	\$4.19
LA PORTE CITY TEL CO	1,894	\$82,215	\$43.41	\$3.62
LAUREL TEL. CO., INC.	304	\$59,976	\$197.29	\$16.44
LEHIGH VALLEY COOP	1,886	\$251,994	\$133.61	\$11.13
LONE ROCK CO-OP TEL	275	\$57,273	\$208.27	\$17.36
LOST NATION-ELWOOD	639	\$180,696	\$282.78	\$23.56
LYNNVILLE TEL CO.	362	\$63,492	\$175.39	\$14.62
MABEL COOP TEL-IA	996	\$185,976	\$186.72	\$15.56
MARNE & ELK HORN TEL	1,535	\$256,467	\$167.08	\$13.92
MARTELLE COOP ASSN	312	\$60,441	\$193.72	\$16.14
MASSENA TEL CO	661	\$123,642	\$187.05	\$15.59
MECHANICSVILLE TEL	836	\$39,336	\$47.05	\$3.92
MEDIAPOLIS TEL CO	2,417	\$116,373	\$48.15	\$4.01
MILES COOP TEL ASSN	727	\$36,939	\$50.81	\$4.23
MILLER TEL CO - IA	99	\$27,201	\$274.76	\$22.90
MINBURN TEL CO	414	\$64,440	\$155.65	\$12.97
MINBURN TELECOMM.	869	\$116,334	\$133.87	\$11.16
MINERVA VALLEY TEL	816	\$128,946	\$158.02	\$13.17
MODERN COOP TEL CO	947	\$210,810	\$222.61	\$18.55
MONTEZUMA MUTUAL TEL	2,210	\$84,183	\$38.09	\$3.17
MUTUAL TEL CO	630	\$46,263	\$73.43	\$6.12
MUTUAL TEL CO	5,305	\$0	\$0.00	\$0.00
NORTH ENGLISH COOP	894	\$40,365	\$45.15	\$3.76
NORTHEAST IOWA TEL	1,963	\$130,473	\$66.47	\$5.54
NORTHERN IOWA TEL CO	2,433	\$439,593	\$180.68	\$15.06
NORTHWEST IOWA TEL	5,557	\$72,051	\$12.97	\$1.08
NORTHWEST TEL COOP	1,325	\$247,659	\$186.91	\$15.58
OGDEN TEL CO - IA	1,862	\$23,517	\$12.63	\$1.05
OLIN TEL CO, INC	740	\$127,557	\$172.37	\$14.36
ONSLOW COOP TEL ASSN	232	\$52,083	\$224.50	\$18.71
ORAN MUTUAL TEL CO	263	\$55,959	\$212.77	\$17.73
PALMER MUTUAL TEL CO	288	\$58,566	\$203.35	\$16.95
PALO COOP TEL ASSN	526	\$59,670	\$113.44	\$9.45
PANORA COMM COOP	1,978	\$17,265	\$8.73	\$0.73
PARTNER COMM. COOP.	1,250	\$254,076	\$203.26	\$16.94
PEOPLES TEL CO - IA	816	\$38,970	\$47.76	\$3.98
PRAIRIE TEL CO	1,057	\$189,126	\$178.93	\$14.91
PRAIRIEBURG TEL CO	216	\$49,797	\$230.54	\$19.21
PRESTON TEL CO	1,222	\$98,955	\$80.98	\$6.75
RADCLIFFE TEL CO	489	\$61,791	\$126.36	\$10.53
READLYN TEL CO	1,174	\$41,997	\$35.77	\$2.98

Study Area Name	Working Loops	Annual High-Cost Loop and Model-Based Support	Sup/Loop/ Yr	Sup/Loop/ Month
RINGSTED TEL CO	395	\$64,317	\$162.83	\$13.57
RIVER VALLEY TELECOM	932	\$126,708	\$135.95	\$11.33
ROCKWELL COOP ASSN	1,275	\$244,335	\$191.64	\$15.97
ROYAL TEL CO	454	\$63,705	\$140.32	\$11.69
RUTHVEN TEL EXCHANGE	772	\$38,034	\$49.27	\$4.11
SAC COUNTY MUTUAL	1,044	\$119,595	\$114.55	\$9.55
SCHALLER TEL CO	1,749	\$257,202	\$147.06	\$12.25
SCRANTON TEL CO	524	\$59,184	\$112.95	\$9.41
SEARSBORO TEL CO	362	\$63,492	\$175.39	\$14.62
SHARON TEL CO	1,151	\$107,880	\$93.73	\$7.81
SHELL ROCK TEL CO	1,021	\$165,615	\$162.21	\$13.52
SOUTH SLOPE COOP TEL	12,874	\$0	\$0.00	\$0.00
SOUTHWEST TEL EXCH	766	\$165,306	\$215.80	\$17.98
SPRINGVILLE COOP TEL	1,213	\$41,682	\$34.36	\$2.86
STRATFORD MUTUAL TEL	539	\$21,279	\$39.48	\$3.29
SULLY TEL ASSOC	2,896	\$76,899	\$26.55	\$2.21
SUPERIOR TEL COOP	319	\$48,711	\$152.70	\$12.72
SWISHER TEL CO	985	\$41,496	\$42.13	\$3.51
TEMPLETON TEL CO	389	\$64,257	\$165.19	\$13.77
TERRIL TEL. COOP.	471	\$62,718	\$133.16	\$11.10
THE BURT TEL CO	426	\$64,392	\$151.15	\$12.60
TITONKA TEL CO	545	\$57,300	\$105.14	\$8.76
UNITED FARMERS TEL	547	\$0	\$0.00	\$0.00
VAN BUREN TEL CO	2,863	\$376,116	\$131.37	\$10.95
VAN HORNE COOP TEL	592	\$52,398	\$88.51	\$7.38
VENTURA TEL CO, INC	466	\$54,624	\$117.22	\$9.77
VILLISCA FARMERS TEL	1,140	\$107,343	\$94.16	\$7.85
WALNUT TEL CO, INC	757	\$37,698	\$49.80	\$4.15
WEBB-DICKENS TEL	404	\$0	\$0.00	\$0.00
WEBSTER-CALHOUN COOP	4,836	\$957,801	\$198.06	\$16.50
WELLMAN COOP TEL	1,328	\$40,587	\$30.56	\$2.55
WEST IOWA TEL CO	5,065	\$237,411	\$46.87	\$3.91
WEST LIBERTY TEL CO	3,955	\$34,530	\$8.73	\$0.73
WESTERN IOWA ASSN	3,811	\$504,294	\$132.33	\$11.03
WESTSIDE INDEPENDENT	363	\$63,282	\$174.33	\$14.53
WILTON TEL CO	1,893	\$21,297	\$11.25	\$0.94
WINNEBAGO COOP ASSN	6,620	\$1,031,055	\$155.75	\$12.98
WOOLSTOCK MUTUAL	232	\$52,083	\$224.50	\$18.71
WYOMING MUTUAL TEL	633	\$45,492	\$71.87	\$5.99
FRONTIER IOWA	52,297	\$0	\$0.00	\$0.00
ITS -- IOWA TELECOM	75,831	\$0	\$0.00	\$0.00
ITS -- IOWA TELECOM NORTH	106,732	\$0	\$0.00	\$0.00
ITS -- IOWA TELECOM SYSTEMS	67,504	\$0	\$0.00	\$0.00
QWEST CORP-IA	933,367	\$0	\$0.00	\$0.00
Total -- Excluding Qwest, ITS, and Frontier	227,595	\$20,180,991	\$88.67	\$7.39
Total -- Including Qwest, ITS, and Frontier	1,463,326	\$20,180,991	\$13.79	\$1.15

Of the small carrier lines, more than 74% get at least \$1/loop/month and more than half get at least \$4.17/loop/month.

Source: USAC 3Q07 FCC Filing, Appendix HC01